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STATE FOR NEA, NEA/IPA, NEA/PPD

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NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
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JERUSALEM ALSO ICD
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PARIS ALSO FOR POL
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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Israel Radio, Ha'aretz's web site, and the leading Internet news site Ynet reported that on Monday, in a video link with AIPAC's (American Israel Public Affairs Committee) Policy Conference in

Washington, PM Ehud Olmert endorsed President Bush's Iraq policy. Olmert warned the US against a quick departure from Iraq, saying it would lead to instability in the region and undermine Washington's ability to deal with emerging threats. "Those who are concerned for Israel's security, for the security of the Gulf States and for the stability of the entire Middle East should recognize the need for American success in Iraq and responsible exit," Olmert was quoted as saying, adding: "Any outcome that will not help America's strength and would, in the eyes of the people in the region, undercut America's ability to deal effectively with the threat posed by the Iranian regime will be very negative." The radio said that the audience granted Olmert's remarks a lukewarm response. Ha'aretz reported that on Monday, in her address to AIPAC, FM Tzipi Livni warned the US not to sow weakness in Iraq. Ynet quoted Olmert as saying that Israel is now taking Iran's threat seriously. The Jerusalem Post led with remarks made on Monday by Vice President Dick Cheney at the gathering, in which he warned that failure in Iraq would endanger Israel. Cheney warned of "chaos and mounding danger," as well as a strengthened Iran and emboldened terrorists. Stressing that he stood before crowd "as a strong supporter of Israel" and that "Israel has never had a better friend in the White House than George Bush," Cheney was quoted as saying: "A precipitous American withdrawal from Iraq would be a disaster for the US and the entire Middle East." The Jerusalem Post commented that the Vice President's plea for AIPAC support is putting US Jews in a bind.

Yediot reported on progress in negotiations for the release of IDF Cpl. Gilad Shalit. The newspaper wrote that Hamas has passed on to Israel a list of hundreds of Palestinian prisoners it wants freed. Yediot quoted Israeli defense sources as saying that the negotiations would become more difficult if there were murderers on the list.

Ha'aretz reported that the effort to apply economic pressure on the regime in Tehran through divestment has intensified in the US. The pressure, which involves divestment on the part of international firms, is being carried out in parallel with continuous efforts at the UN Security Council to impose a second round of sanctions against Iran in response to its failure to abide by the world body's call to end uranium enrichment. Ha'aretz wrote that various Israeli sources and AIPAC are also contributing to the efforts, particularly through specific legislation in various American states where pension funds hold stock in firms invested in Iran.

The Jerusalem Post quoted Hamas officials as saying on Monday that some of the USD 100 million in tax revenues that Israel transferred to the PA in January went to thousands of Hamas supporters -- including those in the security forces. The Jerusalem Post also quoted a senior PA official in Ramallah as saying that Israel's decision not to release more of the hundreds of millions of dollars in tax revenues it owes the PA undermines PA Chairman [President] Mahmoud Abbas and his Fatah faction.

The Jerusalem Post quoted Col. Nir Press, commander of the IDF Coordination and Liaison Administration, as saying that close to 20,000 jobs have been created in the Gaza Strip over the last four months thanks to coordination between the IDF and Palestinian agricultural unions. According to Press, a drop in terror threats to the Karni Crossing made the changes possible, although unemployment in the Strip remains close to 35 percent. This morning Israel Radio reported that the High Court of Justice rejected a petition by six human rights organizations demanding that Israel open crossings with the Gaza Strip and allow the passage of goods through them.

The Jerusalem Post quoted senior Israeli diplomatic officials as saying on Monday that Israel and the US are hoping for a change in the Arab peace initiative at the upcoming Arab League summit in Riyadh to enable reigniting the Israeli-Palestinian diplomatic process. Speaking on Israel Radio from Washington on Monday, FM Livni praised certain aspects of the initiative, but added that when it was brought to the Arab League in Beirut, two new articles were added that were "very problematic" for Israel -- one that talked of a repatriation of Palestinian refugees, and another article that emphasized that a solution to the refugee issue should not be found in the countries where they presently resided. Israel Radio and other media quoted Defense Minister Amir Peretz as saying in Washington on Monday that the Saudi initiative should be addressed

more seriously. The radio also reported that Vice PM Shimon Peres called on Israel to discuss the Saudi plan if no preconditions for negotiations are presented. Speaking on Israel Radio this morning, opposition leader MK Binyamin Netanyahu said that the Saudi initiative is not realistic and that in no way should the right of return for Palestinians be implemented.

Yediot and Israel Radio reported that on Monday Assistant US Secretary of State Ellen Sauerbrey visited Damascus for talks with

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senior Syrian officials.

Yediot and The Jerusalem Post reported that Russia has announced that it is freezing construction at the Iranian nuclear reactor of Bushehr. Yediot wrote that although Russia officially cited a delay in Iran's payments, senior Russian sources are hinting that Russia's patience was wearing thin because Russia's support for Iran has harmed its relations with the West.

The Jerusalem Post quoted Hillel Neuer, executive director of UN Watch -- which describes itself as a "NGO based in Geneva whose mandate is to monitor the performance of the UN by the yardstick of its own Charter" -- as saying that the UN's Human Rights Council will place Israel under permanent investigation for its "violations" of international law in the territories -- until such time as it withdraws to the pre-1967 borders. Neuer was quoted as saying that he received that information from diplomatic sources.

Leading media reported that on Monday BBC correspondent Alan Johnston was kidnapped in the Gaza Strip by unknown assailants. In an unrelated development, Ha'aretz and Yediot reported that in early February the IDF and Border Police arrested three Hamas militants in the West Bank on suspicion of repeated attempts to kidnap Israeli citizens.

Maariv reported that, during a recent discussion with security officials hosted by Olmert, Shin Bet head Yuval Diskin warned about the "dangerous" growth of extremism among Israeli Arabs.

The Jerusalem Post quoted Yehuda Shaffer, the head of the Israeli Money laundering Authority, as saying on Monday that his organization, the police, and the Tax Authority opened a joint intelligence center at national police headquarters in Jerusalem last week to coordinate the fight against money-laundering, and terrorism financing.

The Jerusalem Post cited Yediot as saying on Monday that the paper's management has accepted Editor-in-Chief Rafi Ginat's request to step down earlier than expected. The two leading candidates to replace Ginat are Yediot's Deputy Editor, Yoel Esteron, and Yon Feder, the Editor of its web site, Ynet.

Leading media reported that Larissa Trimbovler, the wife of the late PM Yitzhak Rabin's assassin Yigal Amir, may be pregnant.

Maariv reported that the BBC's globe-spanning survey of attitudes toward 12 major nations found that Indians are most friendly to Israel.

Leading media reported that archaeologists have uncovered a Jewish neighborhood from the Second Temple period north of Jerusalem.

Major media reported that on Monday Education Minister Yuli Tamir named Yediot journalist Nahum Barnea as this year's Israel Prize laureate for media.

Mideast:

Summary:

The independent, left-leaning Ha'aretz editorialized: "Israel's policies are worthy of severe condemnation; but its right to exist is absolute."

Eytan Haber, veteran op-ed writer and assistant to the late prime minister Yitzhak Rabin, opined in the lead editorial of the mass-circulation, pluralist Yediot Aharonot: "The conclusion for now ... is: agree to discuss the Saudi initiative for comprehensive peace in the region, do not agree to the lethal clauses in it."

The conservative, independent Jerusalem Post editorialized: "[The Palestinians] need the Arab states to set a dramatic and powerful example. The Quartet, moreover, should be demanding that the Arab states do so, or be justly blamed for the lack of peace."

Bassem Eid, director and founder of the Palestinian Human Rights Monitoring Group, wrote in The Jerusalem Post: "The challenge that faces the Middle East today is ... instituting programs to successfully educate populations on cultural differences and to promote cooperation in Israel-Palestine."

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz: "If Olmert is forced to resign, Kadima, the largest party in the Knesset, can still search for someone in its ranks to put together a government without recourse to elections. Who it is, hardly matters. Just as long as it's not Bibi [Binyamin Netanyahu]."

Block Quotes:

I. "Israel's Existence Is Not a Question"

The independent, left-leaning Ha'aretz editorialized (3/13): "The erosion of Israel's legitimacy as a Jewish state is particularly difficult for supporters of peace and democracy in Israel, who recognize its own dubious contribution to the attitude toward Israel.... The statements heard in Europe, stemming from the academia and extreme left there, are not legitimate criticisms of Israel's policies, but efforts to undermine, on principle, its right to exist as a Jewish state. Behind the simple question, 'Does Israel have a right to exist' (as a Guardian editorial read three years ago), hides a definitive stance, which regards Israel as a passing colonial phenomenon and the Jewish people as an ethnic-religious group different from any other people and all other nation-states. However peripheral and radical this tendency may be, it has successfully influenced many people. A familiar stench, hundreds of years old, rises from it, even when it is framed in contemporary terminology. It is good to witness enlightened liberals like [German Chancellor Angela] Merkel, [former German foreign minister Joschka] Fischer, and many others, rejecting this tendency completely. Israel's policies are worthy of severe condemnation; but its right to exist is absolute."

II. "Bye-Bye, Riyadh"

Eytan Haber, veteran op-ed writer and assistant to the late prime minister Yitzhak Rabin, opined in the lead editorial of the mass-circulation, pluralist Yediot Aharonot (3/13): "If the Prime Minister and the public were to invest themselves genuinely and sincerely in [the Saudi peace] plan, that could be a foundation for a change in the state of our region. At such a festive opportunity it could also be an opportunity for Olmert and crew to free themselves from the state of paralysis that has gripped him and his cabinet. In short, a new path to embark on, in which things can be 'moved.' With that having been said, one needs to know and to remember that the Saudi plan in its current format is a recipe for the destruction of the State of Israel. Consent (which has no chance whatsoever of being given) by Israel to take in hundreds of thousands and perhaps millions of Palestinian refugees means for us that we're going to have to go packing. Olmert has already made that clear to everyone who needs to know, but he too understands that 'every plan is a platform for change,' as was once commonly said in the IDF. And the more they talk about the plan, so we must believe, pray and hope, the more innocent lives that will be spared. The conclusion for now therefore is: agree to discuss the Saudi initiative for comprehensive peace in the region, do not agree to the lethal clauses in it."

III. "Fix the Saudi Plan"

The conservative, independent Jerusalem Post editorialized (3/13):

"A flurry of diplomatic activity is gathering speed ahead of the Arab League summit later this month. The US and Israel seem to harbor some hopes that the 'Saudi plan,' unveiled at a 2002 Beirut summit, will be reintroduced in an improved form. It should be said at the outset that the likelihood of any breakthrough emerging from the Arab summit is extremely slim, given that the Syrian and Palestinian (read Hamas) delegations hold veto power over any decision, normally issued by consensus. This constraint, however, should not stop the US, Europe and Israel from telling the Arab states what is necessary for any peace initiative to be meaningful. While any potential peace negotiation is fraught with difficult problems, what made the Saudi initiative a non-starter ought to be removed: the demand to negotiate over a 'right of return' to Israel.... There is only one formula that will work in this case, that adopted in the 'People's Voice' campaign launched by former Shin Bet head Ami Ayalon and Palestinian university president Sari Nusseibeh (www.mifkad.org.il): 'Palestinian refugees will return only to the State of Palestine; Jews will return only to the State of Israel.' This is the only formula that is consistent with the two-state vision, the Roadmap, and Israel's right to exist as a Jewish state. If the Arab League were to adopt this formula, moderate Palestinians would be greatly strengthened, Iranian-led radicalism would be dealt a serious blow, and real peace negotiations would suddenly be possible. The US and Israel need to be clear with Arab states that claim they are for peace: The Palestinians cannot extricate themselves from their radical rut alone; they need the Arab states to set a dramatic and powerful example. The Quartet, moreover, should be demanding that the Arab states do so, or be justly blamed for the lack of peace."

IV. "Human Rights and Security"

Bassem Eid, director and founder of the Palestinian Human Rights Monitoring Group (PHRMG), wrote in The Jerusalem Post (3/13): "In the past two years the Arab-Israeli conflict has gone from bad to worse, leading the Middle East into a perpetual state of war, anxiety and loss of life. It has left the Palestinian people stateless and dispossessed, creating frustration and anger that deepen regional tension. ... The first barrier to cooperation between the Israeli and Palestinian governments is that communication between Israeli and Palestinian organizations is extremely low.... One important factor in achieving greater cooperation between Israeli and Palestinian NGOs is the human rights organizations themselves.... Journalists and media professionals are also an important factor in the cooperation puzzle.... The second important barrier to improving human security and human rights in the region is cultural misunderstanding.... The challenge that faces the Middle East today is therefore instituting programs to successfully educate populations on cultural differences and to promote cooperation in Israel-Palestine.... Increasing cooperation and cultural understanding is not an easy task. Whether addressing media representatives, NGOs and activists, or educational resources, the agenda is complex and interconnected. Nevertheless, with workshops, seminars, training events and other such tools the PHRMG believes it is possible to improve human rights and security in the Palestinian territories. To do so, however, citizens, organizations, and donors must work together to solve the problems of human security. If we do not, political events and parties will shape the future of human rights in Palestine."

IV. "Anyone But Bibi"

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz (3/13): "In the surveys, Netanyahu is chalking up a proportional majority. But a party with all of 12 seats is not going to establish a government that will lead us anywhere, all the more so by recycling a leader who was toppled eight years ago, on the pretext that he has changed. In what way has he changed? He's not a radical right-winger anymore? He quit smoking Cohiba cigars? If Olmert is forced to resign, Kadima, the largest party in the Knesset, can still search for someone in its ranks to put together a government without recourse to elections. Who it is, hardly matters. Just as long as it's not Bibi [Binyamin Netanyahu]."